

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund depreciated (7.38)% for the month of August compared to a (6.07)% return for the Russell 1000 Growth Index and a (6.03)% return for the S&P 500 including dividends. At the end of August, the Fund was invested primarily in the technology, health care and consumer discretionary sectors, with smaller weights in the industrials, financials and consumer staples sectors.

For the month, the Fund trailed the benchmark by approximately 130 bps. This was primarily the result of the Manager's selections in the health care and financials sectors, as well as the Fund's overweight in health care versus the benchmark. In August, the best performing positions in the portfolio were Intuitive Surgical, Stericycle, Priceline Group, Royal Caribbean Cruises and Cognizant Technology Solutions. The worst performers for the month were Celgene, Alibaba Group, Alexion Pharmaceuticals, Shire and Allergan.

Manager's Commentary

Despite the month's volatility, DSM continues to expect multi-year global economic growth of 3%. We believe the US economic outlook remains largely unchanged. Healthy employment and housing statistics support our view of 2% plus GDP growth in the United States for 2015. Certainly economic risks globally have risen, led by fear of weaker growth in China. The ongoing bear market in Chinese equities may prove to be a significant challenge to the world economy, and the devaluation of the Yuan significantly unnerved many investors. The Chinese economy was slowing, and the managed devaluation of the Yuan is likely a reaction of the Chinese government to the appreciation of the Yuan to the Euro. China's largest trading partner is Europe, and their exports were becoming less competitive in that marketplace. Nevertheless, in our view, while the situation in China could reduce global growth over the next year, the decline in the price of oil and other commodities represents upside to growth. We are cautiously optimistic that economic growth in China will remain in the 6% to 7% range, albeit now at the lower end of that projection.

The supply of many commodities remains ample and the high profile oil market is no exception. US crude production is at or near all-time highs, Saudi production is very robust and OPEC production is growing quickly as well. Iran, as a result of the recent nuclear weapons agreement, may re-enter the oil market when sanctions are removed. Therefore it is not a surprise that oil prices are falling. But, as crude nears \$40, the financial stress on debt-heavy energy companies and oil-exporting nations, increases the risk of debt defaults. For the US Federal Reserve, volatile world equity markets and slower global economic growth, combined with deflationary pressures from falling commodity prices, may well push back the first rate increase from September of this year into 2016.

We continue to believe that while many well-publicized risks remain of concern to investors, the positive scenario of low inflation, slow global economic growth, low interest rates and growing corporate earnings are positive variables that, while not headline-making news, continue to form the foundation of an upwardly driven bull market. Although the appreciating US dollar causes reported earnings shortfalls, underlying business trends are generally strong. In our view, the market will focus on this strength and, over time, adjust valuations higher. We believe that the valuation of the portfolio, at 20.1x next-four-quarter earnings through September of 2016 based on our calculations, continues to be attractive in the current slow-growth economic environment and relative to the market. We also continue to project a mid-to-high "teens" earnings growth rate through 2018. Additionally, the portfolio holdings remain characterized by strong balance sheets and significant free cash flow.

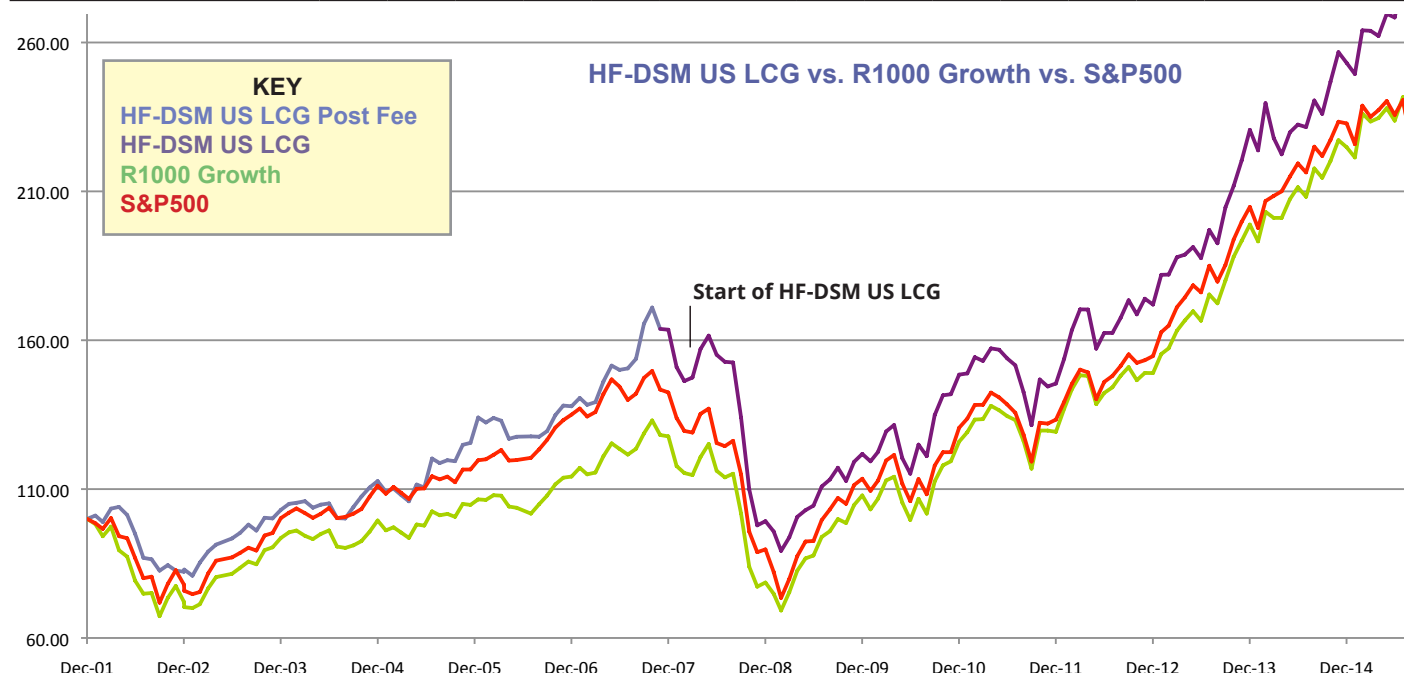
Key Information

NAV A Shares (31/08/15) US\$ 159.18
Total Fund Size (all share classes) US\$ 111.8m

Strategy Assets US\$ 4,519.1m^(a)
Fund Launch Date 29-Nov-07

Monthly Performance (%)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
HF-DSM US LCG	-1.5	5.9	-0.1	-0.7	2.8	-0.5	4.9	-7.4					3.0
Russell 1000 Growth ^(c)	-1.5	6.7	-1.1	0.5	1.4	-1.8	3.4	-6.7					-2.9
S&P 500 ^(c)	-3.0	5.7	-1.6	1.0	1.3	-1.9	2.1	-6.0					0.3

Period Performance (%)	YTD	2014	2013	2012	2011	2009	2009	2008	2007	2006	2005	2004	2003	Cumulative	Annualised
HF-DSM US LCG Returns ^(b)	3.0	9.7	34.1	18.2	(2.0)	21.9	22.8	(39.3)	18.7	9.8	11.4	9.4	25.2	149.4	7.27%
Russell 1000 Growth ^(c)	-2.9	13.1	33.5	15.3	2.6	16.7	37.2	(38.4)	11.8	9.1	5.3	6.3	29.7	121.4	6.13%
S&P 500 ^(c)	0.3	13.7	32.4	16.0	2.1	15.1	26.5	(37.0)	5.5	15.8	4.9	10.9	28.7	125.8	6.15%



Top Ten Holdings

Alexion Pharmaceuticals	Google (Cl. A & C)
Allergan	Priceline Group
Celgene	Shire
Cognizant Technology Solutions	Starbucks
Facebook	Visa

Sectoral Breakdown	% of Assets
Information Technology	36.9%
Health Care	29.8%
Consumer Discretionary	17.2%
Industrials	7.0%
Financials	6.0%
Consumer Staples	2.7%
Materials	2.5%

Investment Objective

The investment objective of the HF DSM US LCG is to provide capital appreciation principally through investments in US based growing corporations with market capitalizations generally above US\$5 billion. These companies are chosen for their growth prospects, attractive returns, solid business fundamentals and intelligent management. The sub fund may, on an ancillary basis, invest in US-based companies with lower market capitalizations as well as in non-US based companies. The Compartment may invest in American Depositary Receipts and American Depositary Shares. The reference benchmark for this strategy is the Russell 1000 Growth Index.

Fund Codes	Since inception	HF-DSM US LCG	HF-DSM US LCG Composite	R1000 Growth
Bloomberg	DSMUSLA LX	Volatility	n/a	14.7
ISIN	LU0327604228	Sharpe Ratio	n/a	0.4
Reuters	LP65102015	Information Ratio	n/a	0.1
Sedol	B28TLX2	Tracking Error	n/a	6.7
	3504726	Beta	n/a	0.9
WKN	A0M58T	Alpha	n/a	1.8

Fund Details

Dealing Day	Daily
Dividends	None - income accumulated within the fund
Investment Manager	DSM Capital Partners LLC 116 Radio Circle Drive, Suite 200, Mount Kisco, NY 10549, USA
Management Company	BSI Fund Management S.A. 44F, rue de la Vallée, L-2661 Luxembourg
Custodian	BSI Europe S.A. 122, Rue Adolphe Fischer L-1521 Luxembourg
Legal Advisers	Elvinger, Hoss & Prussen 2 Place Winston Churchill, L-1340 Luxembourg
Auditor	Deloitte Audit S.à.r.l. 560 Rue de Neudorf, L-2220 Luxembourg

Annual Management Charge

Share Class A & U ^(e)	1.25%
Share Class D ^(f)	1.75%

Minimum Investment

Share Class A & U ^(e)	\$100,000 initial / \$10,000 subsequent
Share Class D	\$10,000 initial / \$1,000 subsequent

Order Transmission Information

Original Applications To:

UBS Fund Services
Attn.: Transfer Agent
33a avenue J.F. Kennedy
L-1855 Luxembourg

Subsequent Applications Only Via Facsimile:

UBS Fund Services
Attn.: Transfer Agent
Fax : (+352) 4410106417
Tel: (+352) 4410106404
Email: sh-ubsfsl-transferagent@ubs.com

- This refers to the total assets invested in the reference strategy managed by the Investment Manager.
- Data and graph depict DSM Composite through November 2007 and Hereford Funds DSM US Large Cap Growth Fund Class A thereafter. Historical gross performance of DSM Large Cap Composite returns (the Reference Strategy) is net of modeled fee and expense typical of Hereford Funds DSM US Large Cap Growth Fund Class A (1.25% fee + 0.25% expense). Fund follows same strategy. Performance presentation incomplete without accompanying footnotes as shown at www.dsmcapital.com.
- Total return including dividends.
- The fund is registered with the BaFin for public distribution in Germany from 17/10/12, registered with the AFM for public distribution in the Netherlands and registered with the AMF for public distribution in France.
- Share Class U has been granted Reporting Status by HMRC as of October 1, 2010.
- Share Class D is German tax registered from October 1, 2010.

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